



Nantucket Memorial Airport Master Plan Update

Chapter 10— Financial Feasibility Plan



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Prepared for:
Nantucket Memorial Airport Commission

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Chapter 10 – Financial Feasibility Plan

10.1 Financial Feasibility – Overview

This chapter analyzes the financial feasibility of the phased Master Plan and Sustainability Program (Master Plan) Airport Capital Improvement Program (ACIP). Specifically, this chapter examines the financial structure of Nantucket Memorial Airport (ACK or the Airport) and proposes a financial plan that identifies potential sources of funding for the Master Plan ACIP. This chapter also assesses the impacts on operating funds and airport reserves of undertaking the proposed Master Plan ACIP.

Major capital improvement projects at ACK will be undertaken when demand warrants, rather than in accordance with a projected five-, 10-, and 20-year schedule developed in advance in the Master Plan (see Chapter 7). However, the actual financing of capital expenditures will be a function of the airport's financial circumstances at the time of project implementation. For example, a project would not be undertaken if the capital needs for a project stand to negatively impact the airport's financial position or if passenger facility charges (PFCs) and/or Federal grants available at that particular time are insufficient to meet project costs.

The assumptions and analyses prepared for the Master Plan must be reviewed in the context of their primary purpose, which is to examine whether there is a reasonable expectation that the recommended capital improvements will be financially feasible and implementable. Based upon these analyses, which include certain timing and financing assumptions, the recommended Master Plan ACIP is projected to be financially feasible within the financial structure of ACK as a self sufficient enterprise fund of the Town of Nantucket. Historically ACK has had to receive an annual subsidy from the Town of Nantucket, Massachusetts (Town) to help support ACK's operational and capital needs. However, recent changes have been made to ACK's rate and charges structure to assist in attaining financial self sufficiency in the short term (five years).

To present the results of these analyses, this chapter is organized as follows:

- Nantucket Memorial Airport Financial Structure
- Master Plan ACIP Phasing and Cost
- Master Plan ACIP Funding
- Operating Expenses
- Revenue
- Master Plan ACIP Financing
- Cash Flow
- Findings



10.2 Nantucket Memorial Airport Financial Structure

ACK operates an enterprise fund, as well as an Aviation Fuel Revolving fund within the Town's financial structure. Generally, an enterprise fund is a fund that has been established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services, which are entirely or predominantly self-supporting by user charges and/or fees. The annual budget for the Airport Enterprise Fund is approved by the Airport Commission, Finance Committee and voted on at the Annual Town Meeting.

The Town records its financial data on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). As part of an enterprise fund of the Town, the Airport is intended to be financially self-sustaining and does not receive any support in the form of tax dollars for its operating costs. The financial information presented in this chapter is in terms of the Town's fiscal year (FY), which begins July 1st each year.

10.3 Master Plan ACIP Phasing and Cost

The phasing plan and cost estimates, based on a planning level of detail, were prepared to illustrate the timing and relative magnitude of the Master Plan ACIP expenditures. Approximately \$49.1 million (in 2014 dollars) in phased capital improvements are projected at the ACK through FY 2035. **Table 10.1** lists the capital improvements projects that are recommended as part of this Master Plan effort.

10.4 Master Plan ACIP Funding

Section 10.3 of this chapter summarized the staged future Master Plan ACIP identified herein. These future capital expenditures were then categorized according to potential funding sources, with the airport-responsible projects (i.e., versus tenant funded projects) being the only focus of the feasibility analyses.

Table 10.2 contains Master Plan ACIP, as presented above inflated for year of expenditure. In addition, the projected funding plan is also presented. A description of estimated funding sources for these projects is presented in greater detail in the following paragraphs.

10.4.1 Airport Improvement Program Grants

The Airport has historically received grants from the FAA in the form of Airport Improvement Program (AIP) grants. The AIP was established by the Airport and Airway Improvement Act of 1982 and amended most recently by the FAA Modernization and Reform Act of 2012. The AIP provides funding from the



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Airport and Airway Trust Fund for airport development, airport planning, noise compatibility planning and to carrying out noise compatibility programs.

AIP grants are received as either entitlement grants (based on an airport's passenger levels) or discretionary grants (based on the discretion of the FAA and the availability of funding). With the passage of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21) enacted in April 2000, the passenger entitlement formula for airports was doubled.

Per FAA regulation, AIP entitlement apportionments may be carried over and used in any three subsequent Federal fiscal years depending on the timing of AIP-eligible projects and an airport's decision to use the funds. AIP grants require a local match of 10 percent of the project costs (based on the airport's current size), which can be funded from airport reserves, passenger facility charges, or other local funds or grants. In the case of ACK, 5 percent is funded from state funds and 5 percent is funded with Airport funds.



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Table 10.2
Master Plan ACIP and Funding Sources

Title	Target Completion Year	Project Cost (2014\$)	Allowances ¹	Total Project Cost	FUNDING SOURCES									
					Federal		State		PFCs		Private/Other		Airport Reserves	
					% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount
Phase I Development (2015-2020)														
Terminal Apron Repaving Phase 1	2016	1,700,000	103,530	1,803,530	90.0%	1,623,177	5.0%	90,177	0.0%	0	0.0%	0	5.0%	90,177
Swap Aircraft Parking Position	2016	5,000	305	5,305	90.0%	4,774	5.0%	265	0.0%	0	0.0%	0	5.0%	265
RW 15 RPZ (Runway Protection Zone) Overlay Zone	2016	5,000	305	5,305	90.0%	4,774	5.0%	265	0.0%	0	0.0%	0	5.0%	265
Parking Lot Operations/Access Gate	2016	80,000	4,872	84,872	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	84,872
Terminal PA System/FIDS	2017	375,000	34,773	409,773	90.0%	368,795	5.0%	20,489	0.0%	0	0.0%	0	5.0%	20,489
Airport Manager Home	2017	750,000	69,545	819,545	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	819,545
Air Traffic Control Tower Rehabilitation Phase 2	2017	1,000,000	92,727	1,092,727	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	1,092,727
Taxiway/South Apron MEPA-MESA Permitting	2017	850,000	78,818	928,818	90.0%	835,936	5.0%	46,441	0.0%	0	0.0%	0	5.0%	46,441
Separation of Taxiways "E" and "G"	2017	600,000	55,636	655,636	90.0%	590,073	5.0%	32,782	0.0%	0	0.0%	0	5.0%	32,782
Seasonal Tent/Secure Hold Room	2018	20,000	2,510	22,510	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	22,510
Bunker Road Commercial Vehicle Parking Areas	2018	15,000	1,883	16,883	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	16,883
RW 24 Highspeed Angle Exit Taxiway	2018	830,000	104,172	934,172	90.0%	840,755	5.0%	46,709	0.0%	0	0.0%	0	5.0%	46,709
South Apron Redesign/Expansion Phase 1	2018	1,800,000	225,916	2,025,916	90.0%	1,823,324	5.0%	101,296	0.0%	0	0.0%	0	5.0%	101,296
Construct New GSE Garage	2018	300,000	37,653	337,653	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	337,653
Terminal Apron Repaving Phase 2	2019	1,800,000	286,693	2,086,693	90.0%	1,878,024	5.0%	104,335	0.0%	0	0.0%	0	5.0%	104,335
Apron Lighting Control/PCL Dimmer	2019	80,000	12,742	92,742	90.0%	83,468	5.0%	4,637	0.0%	0	0.0%	0	5.0%	4,637
Upgrade Voice Telephone System	2020	300,000	58,216	358,216	90.0%	322,394	5.0%	17,911	0.0%	0	0.0%	0	5.0%	17,911
Vehicular and Pedestrian Access Controls	2020	300,000	58,216	358,216	90.0%	322,394	5.0%	17,911	0.0%	0	0.0%	0	5.0%	17,911
Consolidate Communications Facilities- Main Terminal	2020	100,000	19,405	119,405	90.0%	107,465	5.0%	5,970	0.0%	0	0.0%	0	5.0%	5,970
Terminal Building to SRE - IT Communication Link	2020	10,000	1,941	11,941	90.0%	10,746	5.0%	597	0.0%	0	0.0%	0	5.0%	597
Coastal Management Initiative (On-Going)	2020	60,000	11,643	71,643	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	71,643
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2020	30,000	5,822	35,822	0.0%	0	0.0%	0	0.0%	0	100.0%	35,822	0.0%	0
Advertise Rental Cars/Taxis/Bike/Courtesy Vans/NRTA	2020	30,000	5,822	35,822	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	35,822
Phase I Subtotal		\$11,040,000	\$1,273,142	\$12,313,142		\$8,816,100		\$489,783		\$0		\$35,822		\$2,971,438
Phase II Development (2021-2025)														
Terminal Apron Repaving Phase 3	2021	1,730,000	397,682	2,127,682	90.0%	1,914,914	5.0%	106,384	0.0%	0	0.0%	0	5.0%	106,384
Endanged Species Master Plan	2021	250,000	57,468	307,468	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	307,468
South Apron Redesign/Expansion Phase 2	2022	1,800,000	480,186	2,280,186	90.0%	2,052,168	5.0%	114,009	0.0%	0	0.0%	0	5.0%	114,009
Air Carrier Bypass Taxiway/Hold Areas	2022	800,000	213,416	1,013,416	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	1,013,416
Expand Existing SRE Storage Footprint	2022	1,400,000	373,478	1,773,478	0.0%	0	0.0%	0	100.0%	1,773,478	0.0%	0	0.0%	0
Terminal Apron Repaving Phase 4	2023	1,730,000	527,258	2,257,258	90.0%	2,031,532	5.0%	112,863	0.0%	0	0.0%	0	5.0%	112,863
RW 33 High-Speed Exit Taxiway	2023	1,500,000	457,160	1,957,160	90.0%	1,761,444	5.0%	97,858	0.0%	0	0.0%	0	5.0%	97,858
Convert Airport Maintenance Fleet to Alternative Fuels	2023	500,000	152,387	652,387	0.0%	0	0.0%	0	0.0%	0	100.0%	652,387	0.0%	0
Terminal Apron Repaving Phase 5	2024	3,020,000	1,038,627	4,058,627	90.0%	3,652,765	5.0%	202,931	0.0%	0	0.0%	0	5.0%	202,931
Secure Bike Parking/Bike Path Extension	2024	250,000	85,979	335,979	0.0%	0	0.0%	0	0.0%	0	100.0%	335,979	0.0%	0
RW 33 End Taxiway and Runup Pad	2025	1,200,000	461,081	1,661,081	90.0%	1,494,973	5.0%	83,054	0.0%	0	0.0%	0	5.0%	83,054
Security System Upgrade - Fiber Optic Intrusion Sensors	2025	500,000	192,117	692,117	90.0%	622,905	5.0%	34,606	0.0%	0	0.0%	0	5.0%	34,606
Convert Bag Claim to Hold Room/Construct New Bag Claim Addition	2025	5,000,000	1,921,169	6,921,169	0.0%	0	0.0%	0	100.0%	6,921,169	0.0%	0	0.0%	0
Coastal Management Initiative (On-Going)	2025	52,500	20,172	72,672	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	72,672
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2025	25,000	9,606	34,606	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	34,606
Pref. Parking for Alternatives-Fuel Cars and Additional EV Charging Stations	2025	45,000	17,291	62,291	0.0%	0	0.0%	0	0.0%	0	100.0%	62,291	0.0%	0
Phase II Subtotal		\$19,802,500	\$6,405,077	\$26,207,577		\$13,530,699		\$751,706		\$8,694,647		\$1,050,656		\$2,179,868
Phase III Development (2026-2035)														
Terminal Apron Repaving Phase 6	2026	945,000	402,344	1,347,344	90.0%	1,212,610	5.0%	67,367	0.0%	0	0.0%	0	5.0%	67,367
South Apron Redesign/Expansion Phase 3	2027	1,800,000	843,361	2,643,361	90.0%	2,379,025	5.0%	132,168	0.0%	0	0.0%	0	5.0%	132,168
Terminal Apron Repaving Phase 7	2028	3,750,000	1,922,211	5,672,211	90.0%	5,104,990	5.0%	283,611	0.0%	0	0.0%	0	5.0%	283,611
South Apron Redesign/Expansion Phase 4	2029	1,800,000	1,004,341	2,804,341	90.0%	2,523,907	5.0%	140,217	0.0%	0	0.0%	0	5.0%	140,217
South Apron Redesign/Expansion Phase 5	2030	1,800,000	1,088,472	2,888,472	90.0%	2,599,624	5.0%	144,424	0.0%	0	0.0%	0	5.0%	144,424
Terminal Secure Hold Room Concepts	2035	8,000,000	6,882,357	14,882,357	0.0%	0	0.0%	0	100.0%	14,882,357	0.0%	0	0.0%	0
Coastal Management Initiative (On-Going)	2035	100,000	86,029	186,029	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	186,029
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2035	50,000	43,015	93,015	0.0%	0	0.0%	0	0.0%	0	0.0%	0	100.0%	93,015
Phase III Subtotal		\$18,245,000	\$12,272,130	\$30,517,130		\$13,820,156		\$767,786		\$14,882,357		\$0		\$1,046,831
Total Capital Improvement Program Costs		\$49,087,500	\$19,950,349	\$69,037,849		\$36,166,955		\$2,009,275		\$23,577,004		\$1,086,478		\$6,198,137

¹ Includes costs for project, mobilization, implementation,, and construction contingencies for non reimbursements.

Sources: Jacobs Engineering; Compiled by Parsons Brinckerhoff



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Table 10.1

Master Plan ACIP

Title	Target Completion Year ¹	Project Cost (2014\$)
Phase I Development (2015-2020)		
Terminal Apron Repaving Phase 1	2016	\$1,700,000
Swap Aircraft Parking Position	2016	5,000
RW 15 RPZ (Runway Protection Zone) Overlay Zone	2016	5,000
Parking Lot Operations/Access Gate	2016	80,000
Terminal PA System/FIDS	2017	375,000
Airport Manager Home	2017	750,000
Air Traffic Control Tower Rehabilitation Phase 2	2017	1,000,000
Taxiway/South Apron MEPA-MESA Permitting	2017	850,000
Separation of Taxiways "E" and "G"	2017	600,000
Seasonal Tent/Secure Hold Room	2018	20,000
Bunker Road Commercial Vehicle Parking Areas	2018	15,000
RW 24 Highspeed Angle Exit Taxiway	2018	830,000
South Apron Redesign/Expansion Phase 1	2018	1,800,000
Construct New GSE Garage	2018	300,000
Terminal Apron Repaving Phase 2	2019	1,800,000
Apron Lighting Control/PCL Dimmer	2019	80,000
Upgrade Voice Telephone System	2020	300,000
Vehicular and Pedestrian Access Controls	2020	300,000
Consolidate Communications Facilities- Main Terminal	2020	100,000
Terminal Building to SRE - IT Communication Link	2020	10,000
Coastal Management Initiative (On-Going)	2020	60,000
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2020	30,000
Advertise Rental Cars/Taxis/Bike/Courtesy Vans/NRTA	2020	30,000
Phase I Subtotal		\$11,040,000
Phase II Development (2021-2025)		
Terminal Apron Repaving Phase 3	2021	\$1,730,000
Endanged Speces Master Plan	2021	250,000
South Apron Redesign/Expansion Phase 2	2022	1,800,000
Air Carrier Bypass Taxiway/Hold Areas	2022	800,000
Expand Existing SRE Storage Footprint	2022	1,400,000
Terminal Apron Repaving Phase 4	2023	1,730,000
RW 33 High-Speed Exit Taxiway	2023	1,500,000
Convert Airport Maintenance Fleet to Alternative Fuels	2023	500,000
Terminal Apron Repaving Phase 5	2024	3,020,000
Secure Bike Parking/Bike Path Extension	2024	250,000
RW 33 End Taxiway and Runup Pad	2025	1,200,000
Security System Upgrade - Fiber Optic Intrusion Sensors	2025	500,000
Convert Bag Claim to Hold Room/Construct New Bag Claim Add	2025	5,000,000
Coastal Management Initiative (On-Going)	2025	52,500
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2025	25,000
Pref. Parking for Alternatives-Fuel Cars and Additional EV Char	2025	45,000
Phase II Subtotal		\$19,802,500
Phase III Development (2026-2035)		
Terminal Apron Repaving Phase 6	2026	\$945,000
South Apron Redesign/Expansion Phase 3	2027	1,800,000
Terminal Apron Repaving Phase 7	2028	3,750,000
South Apron Redesign/Expansion Phase 4	2029	1,800,000
South Apron Redesign/Expansion Phase 5	2030	1,800,000
Terminal Secure Hold Room Concepts	2035	8,000,000
Coastal Management Initiative (On-Going)	2035	100,000
"Fly Friendly" Aircraft Noise Mitigation Measures (On-Going)	2035	50,000
Phase III Subtotal		\$18,245,000
Total Capital Improvement Program Costs		\$49,087,500

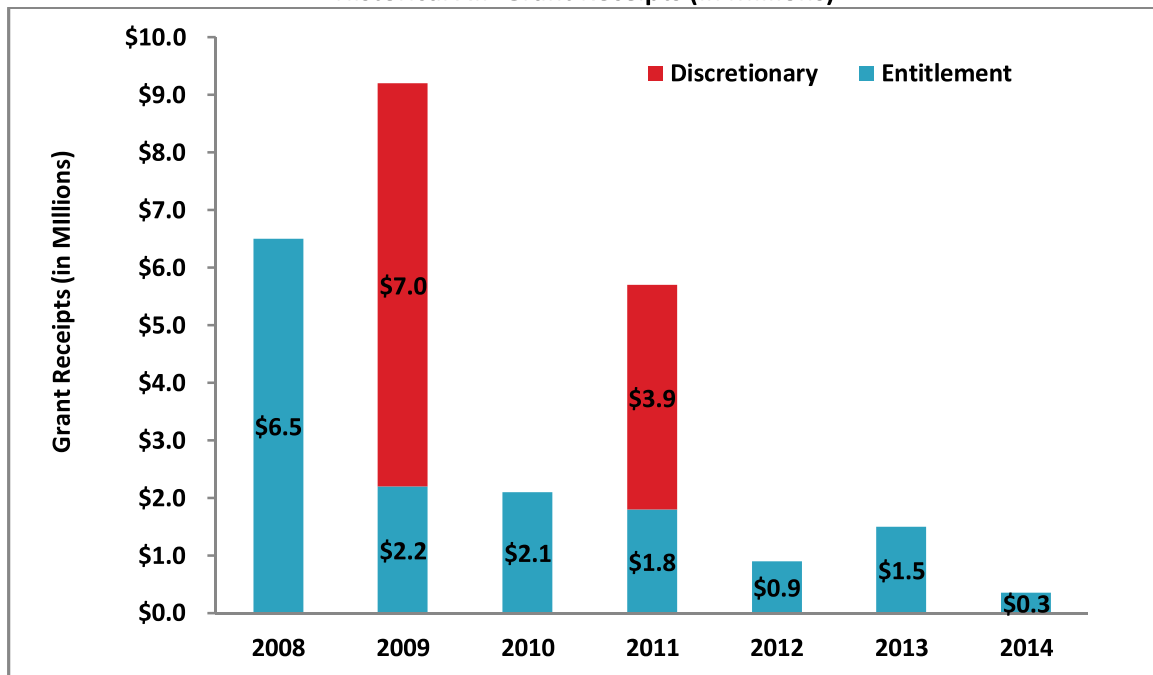
¹ Target completion dates may have been adjusted from previous chapters of this report to reflect a realistic implementation plan given the date of the preparation of this analysis.

Sources: Jacobs Engineering; Compiled by Parsons Brinckerhoff



Figure 10.1 presents the AIP grants received in recent years. From Federal fiscal year³⁵ (FFY) 2008 to FFY 2014 Federal grant receipts have ranged from \$0.3 million (FFY 2014) to \$9.2 million (2009). Approximately \$14 million of the AIP passenger entitlement grants awarded to the airport from FFY 2008 to FFY 2012 were for the construction of a terminal building. The AIP discretionary grants awarded in FFY 2009 and FFY 2011 were for the development of a new ARFF building and rehabilitation and extension of a runway. In FFY 2014, AIP grants were used to fund a portion of a perimeter fencing project and airport security projects.

Figure 10.1
Historical AIP Grant Receipts (in Millions)



Sources: FAA and Nantucket Memorial Airport

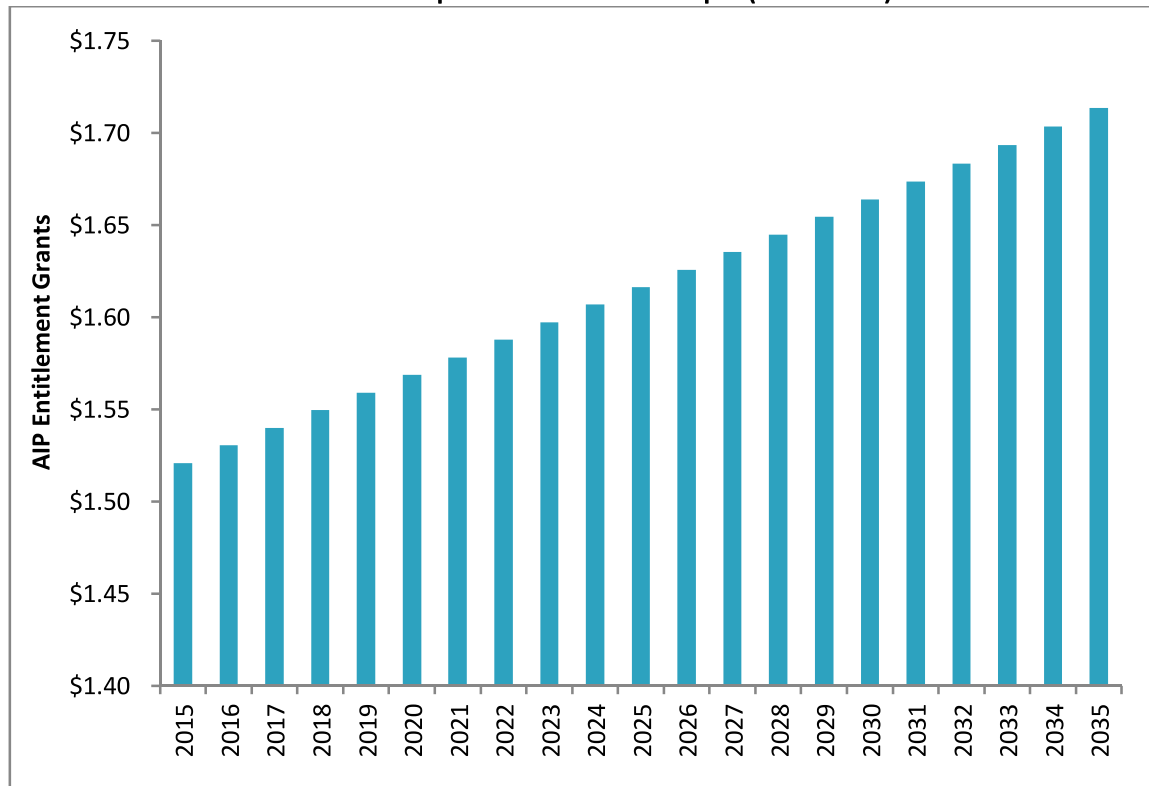
As part of the AIP, Voluntary Airport Low Emission (VALE) Program grants are also available. This program extends AIP eligibility to projects aimed at reducing on-airport emissions, such as low-emission vehicles and infrastructure upgrades. The Town's prior attempts in applying for VALE grants were given a very low priority by the FAA and not awarded due to the seasonal nature of ACK's air carrier service.

This analysis assumed that the AIP program remains in place during the forecast period. Future AIP passenger entitlements are estimated to be approximately \$1.8 million in 2015 increasing to \$2.0 million by 2035 for a total of nearly \$39.1 million during the projection period. This compares to the anticipated AIP grant requirement of \$36.1 million. Should the AIP requirements exceed the anticipated entitlement amounts for any given time period of the analysis, it is anticipated that AIP discretionary grants would be used to fund the additional AIP-eligible project costs. **Figure 10.2** presents the future anticipated AIP grants by year of for this analysis.

³⁵ The Federal fiscal year ends on September 30th each year.



Figure 10.2
Anticipated AIP Grant Receipts (in Millions)



Sources: FAA and Nantucket Memorial Airport

10.4.2 Massachusetts Department of Transportation Grants

There are several programs for which the airport can receive funds from the Massachusetts Department of Transportation Aeronautics Division (MassDOT). These programs are briefly described below.

- **AIP Matching Funds:** For an airport of the size of Nantucket Memorial Airport, MassDOT typically provides a local match of 5 percent for AIP-funded project costs, with the Town/airport responsible for providing the remaining 5 percent.
- **Airport Safety and Maintenance Program (ASMP):** Recognizing that not all airports will receive or be eligible for AIP grants, the ASMP receives appropriations from the Commonwealth of Massachusetts's General Fund, as well as proceeds from State Transportation Bonds issuance proceeds, which have been utilized to provide funding for airport development and planning projects. Under the ASMP, up to 100 percent of project funding can be provided by MassDOT; however, typically MassDOT has provided 70 percent to 80 percent of eligible project costs, with the remainder of funds being provided by the airport sponsor. However, it has been reported that the ASMP may be curtailed due to other funding priorities of the Commonwealth.

10.4.3 Passenger Facility Charges

The Airport recently submitted an application to the FAA to impose and use passenger facility charges (PFCs) to fund eligible capital projects. The application was to impose a PFC of \$4.50 per enplaned passenger and the projects included in the application include expansion and renovation of the terminal



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building, south taxiway widening and realignment, as well as the airport master plan and PFC administration costs. This application was approved and PFC collections began in July 1, 2014, with the charge expiration date currently being estimated for May 1, 2024. PFCs are anticipated to be used in a pay-as-you-go manner for all proposed projects and to fund annual debt service payments (bond capital and financing costs) associated with the terminal building. This analysis assumes the Town will continue to submit PFC applications to continually have PFC-approved projects for which to apply future PFC collections. **Table 10.3** presents anticipated PFC receipts during the projection period.

For this analysis it is assumed PFCs are either applied directly to eligible project costs on a pay-as-you-go basis or used to pay down existing or future debt service for capital projects. The first priority is assumed to be for pay-as-you-go project costs and any remaining annual PFC collections will be applied to debt service. The amounts applied to either annual project costs or to debt service are also shown in the table.

Table 10.3
Anticipated PFC Collections and Application of PFC Revenues

Year	Annual Collections	Cumulative Collections	PFC Eligible Project Costs	PFCs Applied to Project Costs	PFCs Applied to Debt
Estimate 2015	\$595,903	\$595,903	\$0	\$0	\$595,903
Budget 2016	\$603,568	\$1,199,471	\$0	\$0	\$603,568
Projected 2017	\$611,234	\$1,810,705	\$0	\$0	\$611,234
Projected 2018	\$618,899	\$2,429,604	\$0	\$0	\$618,899
Projected 2019	\$626,564	\$3,056,168	\$0	\$0	\$626,564
Projected 2020	\$634,229	\$3,690,397	\$0	\$0	\$634,229
Projected 2021	\$641,895	\$4,332,291	\$0	\$0	\$641,895
Projected 2022	\$649,560	\$4,981,851	\$1,773,478	\$649,560	\$0
Projected 2023	\$657,225	\$5,639,076	\$0	\$0	\$657,225
Projected 2024	\$664,890	\$6,303,966	\$0	\$0	\$664,890
Projected 2025	\$672,556	\$6,976,522	\$6,921,169	\$672,556	\$0
Projected 2026	\$680,221	\$7,656,743	\$0	\$0	\$680,221
Projected 2027	\$687,886	\$8,344,629	\$0	\$0	\$687,886
Projected 2028	\$695,551	\$9,040,180	\$0	\$0	\$695,551
Projected 2029	\$703,217	\$9,743,397	\$0	\$0	\$703,217
Projected 2030	\$710,907	\$10,454,303	\$0	\$0	\$710,907
Projected 2031	\$718,681	\$11,172,985	\$0	\$0	\$718,681
Projected 2032	\$726,541	\$11,899,525	\$0	\$0	\$726,541
Projected 2033	\$734,486	\$12,634,012	\$0	\$0	\$734,486
Projected 2034	\$742,518	\$13,376,530	\$0	\$0	\$742,518
Projected 2035	\$750,639	\$14,127,169	\$14,882,357	\$750,639	\$0

10.4.4 Private/Other Funding

Certain projects in the Master Plan ACIP may not be eligible for Federal AIP participation or MassDOT Aeronautics Division funding and have been identified as projects to be funded with other sources. These sources may include third-party developers or grants from sources other than the FAA. These projects might include projects that are not eligible for AIP funds such as hangars, automobile parking facilities, as well as other non-aeronautical developments such as hotels, restaurants, and educational facilities.



10.4.5 Airport Reserves

Airport enterprise fund earnings, reserves, accumulated cash balances, and general obligation bond proceeds are assumed to fund the balance of project costs after any Federal grants, State grants, PFCs, or other funds are applied. Annual deposits to airport reserves include net operating funds remaining from revenue sources after operating expenses and debt service have been paid. Historically, any shortfalls for capital expenditures have typically been financed by general obligation bonds issued by the Town and then repaid with future airport net revenue. This practice is expected to continue in the future and is assumed for this analysis. Additional details regarding the outstanding general obligation bond debt service for past projects, as well as future general obligation bond proceed requirements for the Master Plan ACIP projects is discussed later in this chapter.

10.5 Operating Expenses

Estimates of future operating expenses are, in general, based upon a review of historical trends, the anticipated effect of inflation, activity fluctuations and the estimated impacts of facility improvements and expansions. ACK operating expenses are assigned to categories depending on their type.

The assumptions used to prepare the operating expense projections presented in **Table 10.4** are discussed in the following bullets.

- Estimates for FY 2015 are the amounts presented in the Airport Enterprise Fund Update as of May 31, 2015.
- The budgeted FY 2016 operating expenses provide the base for future operating expense projections and reflect the amounts presented in the Town's approved Airport Enterprise Fund budget.
- Based on a review of historical growth trends, operating expenses are expected to increase annually with inflation.
- There are no incremental operating expenses included for the ACIP as the majority of them are replacement or rehabilitation projects designed to enhance the operation of the Airport.

As shown in Table 10.4, operating expenses are projected to increase from \$6.8 million in FY 2015 to \$12.0 million in FY 2035, which reflects a compounded average growth rate of 2.9 percent annually.

10.6 Revenues

Estimates of future ACK revenues are based upon a review of historical trends, the anticipated effect of inflation, projected future activity levels, and the estimated impacts of the facility improvements and expansions. ACK has a diverse revenue base with nonairline revenues comprising approximately 80 percent of total revenue budgeted for FY 2016. **Table 10.5** presents estimated revenues for FY 2015, budgeted revenues for FY 2016, and projected revenues for FY 2017 through FY 2035. Revenues are estimated to be approximately \$7.3 million in FY 2015 and are projected to increase to approximately \$19.8 million in 2035, which reflects a compounded average growth rate of approximately 3.4 percent annually.

The assumptions used to prepare the nonairline revenue projections presented in Table 10.5 are discussed in the following bullets.



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Table 10.4
Operating Expenses

	Estimate 2015	Budget 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
<u>Line Item Summary</u>											
Payroll & Benefits	\$4,083,356	\$4,289,883	\$4,397,130	\$4,507,058	\$4,619,735	\$4,735,228	\$4,853,609	\$4,974,949	\$5,099,323	\$5,226,806	\$5,357,476
FBO	682,945	705,000	722,625	740,691	759,208	778,188	797,643	817,584	838,023	858,974	880,448
ARFF/Operations	82,177	106,300	108,958	111,681	114,473	117,335	120,269	123,275	126,357	129,516	132,754
Service & Maintenance	536,846	616,800	632,220	648,026	664,226	680,832	697,853	715,299	733,181	751,511	770,299
Administration	1,019,440	1,152,900	1,181,723	1,211,266	1,241,547	1,272,586	1,304,401	1,337,011	1,370,436	1,404,697	1,439,814
Other	359,760	606,619	621,784	637,329	653,262	669,594	686,334	703,492	721,079	739,106	757,584
Total Operating Expenses	\$6,764,524	\$7,477,502	\$7,664,440	\$7,856,051	\$8,052,452	\$8,253,763	\$8,460,107	\$8,671,610	\$8,888,400	\$9,110,610	\$9,338,375
	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	
<u>Line Item Summary</u>											
Payroll & Benefits	\$5,491,413	\$5,628,698	\$5,769,416	\$5,913,651	\$6,061,492	\$6,213,030	\$6,368,355	\$6,527,564	\$6,690,753	\$6,858,022	
FBO	902,460	925,021	948,147	971,850	996,147	1,021,050	1,046,576	1,072,741	1,099,559	1,127,048	
ARFF/Operations	136,073	139,475	142,962	146,536	150,199	153,954	157,803	161,748	165,792	169,937	
Service & Maintenance	789,556	809,295	829,527	850,266	871,522	893,310	915,643	938,534	961,997	986,047	
Administration	1,475,809	1,512,705	1,550,522	1,589,285	1,629,018	1,669,743	1,711,487	1,754,274	1,798,131	1,843,084	
Other	776,524	795,937	815,835	836,231	857,137	878,565	900,529	923,043	946,119	969,772	
Total Operating Expenses	\$9,571,835	\$9,811,131	\$10,056,409	\$10,307,819	\$10,565,515	\$10,829,652	\$11,100,394	\$11,377,904	\$11,662,351	\$11,953,910	

Sources: Town Records (2015-2016); Parsons Brinckerhoff (2017-2035)



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Table 10.5
Revenue and Airline Cost per Enplanement Projections

	Estimate 2015	Budget 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
REVENUES											
Fuel Sales	\$1,864,087	\$2,000,000	\$2,163,547	\$2,340,524	\$2,531,971	\$2,739,070	\$2,963,101	\$3,116,406	\$3,277,634	\$3,447,193	\$3,625,515
GA Landing Fees	514,547	518,000	570,736	628,855	692,892	763,447	841,184	884,705	930,475	978,611	1,029,234
GA Ramp Fees	1,230,674	1,220,000	1,319,764	1,427,720	1,544,502	1,670,833	1,807,491	1,901,008	1,999,356	2,102,788	2,211,564
FBO Supplies & Services	30,888	43,000	44,363	45,770	47,221	48,719	50,263	51,857	53,501	55,197	56,947
Catering Income	415,177	400,000	412,677	425,765	439,268	453,197	467,567	482,391	497,684	513,460	529,735
Airline Terminal	208,670	258,270	284,097	312,507	343,757	378,133	415,946	436,744	458,581	481,510	505,585
Other Terminal	318,221	111,730	122,903	135,193	148,713	163,584	179,942	188,940	198,387	208,306	218,721
Tower Rental	133,122	134,000	138,020	142,161	146,425	150,818	155,343	160,003	164,803	169,747	174,840
Land Rental	690,105	660,000	679,800	700,194	721,200	742,836	765,121	788,075	811,717	836,068	861,150
Hangar Rental	89,119	97,300	107,030	117,733	129,506	142,457	156,703	164,538	172,765	181,403	190,473
Concession Fees	33,623	32,600	34,892	37,331	39,927	42,689	45,628	48,754	52,078	55,613	59,371
Rental Car Commissions	552,328	510,000	545,851	584,011	624,623	667,837	713,810	762,711	814,717	870,017	928,811
Freight Handling	58,119	63,350	65,251	67,208	69,224	71,301	73,440	75,643	77,913	80,250	82,657
Airline Landing Fees	538,946	503,100	560,744	624,695	695,828	774,957	862,961	917,160	974,631	1,035,565	1,100,185
Reserve Tie Downs	51,200	50,000	53,196	56,569	60,146	63,941	67,966	72,234	76,761	81,560	86,649
Other	2,040	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
Customer Facility Charges	89,500	91,300	97,718	104,549	111,820	119,556	127,786	136,540	145,850	155,750	166,275
Parking	287,719	316,000	338,213	361,858	387,022	413,797	442,282	472,582	504,805	539,070	575,498
Parking Enforcement	24,251	32,150	33,115	34,108	35,131	36,185	37,271	38,389	39,540	40,727	41,948
Ground Transportation Fees	23,100	19,500	20,473	21,487	22,544	23,644	24,791	25,984	27,227	28,522	29,869
Business Activity Fees	50,727	23,750	26,125	28,738	31,611	34,772	38,250	40,162	42,170	44,279	46,493
Security Fees	2,836	1,950	2,048	2,150	2,257	2,370	2,489	2,613	2,744	2,881	3,025
Miscellaneous	104,355	112,800	116,184	119,670	123,260	126,957	130,766	134,689	138,730	142,892	147,178
Interest Income	21,012	22,780	23,236	23,700	24,174	24,658	25,151	25,654	26,167	26,690	27,224
TOTAL REVENUES	\$7,334,367	\$7,222,580	\$7,761,009	\$8,343,556	\$8,974,117	\$9,656,884	\$10,396,410	\$10,928,974	\$11,489,465	\$12,079,364	\$12,700,254
AIRLINE COST PER ENPLANEMENT											
Airline Terminal	\$208,670	\$258,270	\$284,097	\$312,507	\$343,757	\$378,133	\$415,946	\$436,744	\$458,581	\$481,510	\$505,585
Airline Landing Fees	538,946	503,100	560,744	624,695	695,828	774,957	862,961	917,160	974,631	1,035,565	1,100,185
Business Activity Fees	50,727	23,750	26,125	28,738	31,611	34,772	38,250	40,162	42,170	44,279	46,493
TOTAL AIRLINE REVENUE	\$798,343	\$785,120	\$870,966	\$965,939	\$1,071,197	\$1,187,862	\$1,317,157	\$1,394,066	\$1,475,382	\$1,561,353	\$1,652,263
Enplanements	185,998	189,664	193,330	196,996	200,662	204,328	207,994	211,660	215,326	218,992	222,658
Airline Cost Per Enplanement	\$4.29	\$4.14	\$4.51	\$4.90	\$5.34	\$5.81	\$6.33	\$6.59	\$6.85	\$7.13	\$7.42
2015\$	\$4.29	\$4.02	\$4.25	\$4.49	\$4.74	\$5.01	\$5.30	\$5.36	\$5.41	\$5.46	\$5.52
	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	
Fuel Sales	\$3,813,050	\$3,972,082	\$4,137,736	\$4,310,401	\$4,490,258	\$4,677,620	\$4,872,800	\$5,076,124	\$5,287,932	\$5,508,578	
GA Landing Fees	1,082,473	1,127,620	1,174,647	1,223,664	1,274,723	1,327,912	1,383,321	1,441,042	1,501,171	1,563,810	
GA Ramp Fees	2,325,961	2,422,970	2,524,019	2,629,344	2,739,057	2,853,348	2,972,408	3,096,436	3,225,639	3,360,233	
FBO Supplies & Services	58,751	60,613	62,534	64,517	66,557	68,674	70,851	73,098	75,416	77,807	
Catering Income	546,524	563,844	581,711	600,159	619,190	638,824	659,081	679,980	701,542	723,788	
Airline Terminal	530,865	552,099	574,183	597,150	621,036	645,878	671,713	698,582	726,525	755,586	
Other Terminal	229,657	238,843	248,397	258,333	268,666	279,413	290,590	302,213	314,302	326,874	
Tower Rental	180,085	185,487	191,052	196,784	202,687	208,768	215,031	221,482	228,126	234,970	
Land Rental	886,985	913,594	941,002	969,232	998,309	1,028,258	1,059,106	1,090,879	1,123,606	1,157,314	
Hangar Rental	199,997	207,997	216,316	224,969	233,968	243,327	253,060	263,182	273,709	284,658	
Concession Fees	63,366	67,612	72,124	76,919	82,014	87,447	93,240	99,417	106,003	113,026	
Rental Car Commissions	991,309	1,057,734	1,128,324	1,203,328	1,283,044	1,368,041	1,458,669	1,555,300	1,658,333	1,768,192	
Freight Handling	85,137	87,691	90,322	93,032	95,823	98,697	101,658	104,708	107,849	111,085	
Airline Landing Fees	1,168,679	1,229,461	1,293,247	1,360,193	1,429,973	1,503,334	1,580,459	1,661,542	1,746,785	1,836,403	
Reserve Tie Downs	92,044	97,762	103,823	110,247	117,017	124,204	131,831	139,927	148,520	157,641	
Other	1,344	1,384	1,426	1,469	1,513	1,558	1,605	1,653	1,702	1,754	
Customer Facility Charges	177,464	189,355	201,992	215,419	229,690	244,906	261,130	278,429	296,874	316,541	
Parking	614,223	655,380	699,118	745,592	794,984	847,649	903,803	963,676	1,027,516	1,095,585	
Parking Enforcement	43,207	44,503	45,838	47,213	48,630	50,089	51,591	53,139	54,733	56,373	
Ground Transportation Fees	31,272	32,732	34,251	35,832	37,478	39,200	41,000	42,884	44,854	46,914	
Business Activity Fees	48,817	50,770	52,801	54,913	57,109	59,394	61,769	64,240	66,810	69,482	
Security Fees	3,176	3,335	3,502	3,677	3,861	4,054	4,257	4,469	4,693	4,928	
Miscellaneous	151,594	156,142	160,826	165,651	170,620	175,739	181,011	186,441	192,034	197,795	
Interest Income	27,769	28,324	28,891	29,468	30,058	30,659	31,272	31,897	32,535	33,186	
	\$13,353,747	\$13,947,336	\$14,568,083	\$15,217,505	\$15,896,272	\$16,606,992	\$17,351,257	\$18,130,742	\$18,947,212	\$19,802,524	
AIRLINE COST PER ENPLANEMENT											
Airline Terminal	\$530,865	\$552,099	\$574,183	\$597,150	\$621,036	\$645,878	\$671,713	\$698,582	\$726,525	\$755,586	
Airline Landing Fees	1,168,679	1,229,461	1,293,247	1,360,193	1,429,973	1,503,334	1,580,459	1,661,542	1,746,785	1,836,403	
Business Activity Fees	48,817	50,770	52,801	54,913	57,109	59,394	61,769	64,240	66,810	69,482	
TOTAL AIRLINE REVENUE	\$1,748,361	\$1,832,330	\$1,920,231	\$2,012,256	\$2,108,119	\$2,208,605	\$2,313,941	\$2,424,363	\$2,540,120	\$2,661,471	
Enplanements	226,324	229,990	233,656	237,322	240,994	244,723	248,509	252,354	256,259	260,224	
Airline Cost Per Enplanement	\$7.73	\$7.97	\$8.22	\$8.48	\$8.75	\$9.02	\$9.31	\$9.61	\$9.91	\$10.23	
2015\$	\$5.58	\$5.59	\$5.60	\$5.61	\$5.61	\$5.62	\$5.63	\$5.64	\$5.65	\$5.66	

Sources: Town Records (2015-2016); Parsons Brinckerhoff (2017-2035)



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- Estimates for FY 2015 are the amounts presented in the Airport Enterprise Fund Update as of May 31, 2015.
- The budgeted FY 2016 operating expenses provide the base for future operating expense projections and reflect the amounts presented in the Town's approved Airport Enterprise Fund budget.
- In general, revenues are anticipated to increase with varying rates of inflation. FBO and airline revenues (terminal rentals, landing fees, business activity fees, and ramp fees) have been increased at higher rates of inflation to appropriately allocate ACK's capital needs to the primary users of the facility.
- Certain revenues are increased with activity, in addition to inflation. These are as follows:
 - FBO fees are projected to increase in proportion to annual increases in general aviation aircraft operations, specifically by larger private and charter jet aircraft.
 - Airline landing fees are projected to increase in proportion to annual increases in commercial service operations.
 - Terminal concessions, rental car commissions, ground transportation fees, parking revenues, and customer facility charges are projected increased in proportion to annual increases in enplanements.

Table 10.5 also presents the airline cost per enplanement for each year of the analysis. The Airport sets the rates for landing fees and terminal rentals periodically by ordinance, with the most recent change in airline rates and charges occurring May 15, 2015. As shown in the table, based on the assumptions described above for the projection of airline rates and charges, the airline cost per enplanement is projected to be \$4.14 in FY 2016 increasing to \$10.23 by FY 2035. As shown in the table, the airline cost per enplanement in current 2015 dollars is estimated to be less than \$6.00 for each projected year of the analysis.

10.7 Master Plan ACIP Financing

As previously mentioned, general obligation bonds are issued by the Town to fund any capital expenditures that cannot be met with excess airport revenues, including any PFCs or grant funding. The debt service associated with these general obligation bonds is paid by excess airport revenue, after the payment of operating expenses, or by a subsidy from the Town if excess revenue is not available. General obligation debt has been used in recent years to fund projects such as the terminal renovation, administration building construction, and hangar remodeling.

Based on the current debt service repayment schedule debt service payments for the airport are estimated to be approximately \$1.3 million in FY 2015 decreasing to approximately \$300,000 in FY 2035. There are future project costs that are assumed to require general obligation bond proceeds. In addition to general obligation debt service, Airport is has recently reached an agreement with the Town to reimburse it for prior years' operating subsidies. This reimbursement is \$235,000 per year and is expected to occur for the entirety of the projection period.



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Table 10.6 presents the general obligation debt service projections for ACK during the projection period for both existing and future general obligation debt issuances, as well as the Town subsidy repayment. Any future general obligation bonds issuances are assumed to have a term of 30 years and an interest rate of 3.5 percent for the first five years of the analysis increasing by 0.5 percent every five years up to a maximum of 5 percent. The amount of bond funded project costs is the remaining capital requirement after all funding sources are applied and net of any operating funds available for project costs.

Table 10.6
Debt Service Projections

Year		Bond Funded Project Costs	Debt Service Payment	Future Debt Service	Existing Debt Service	Town Subsidy Repayment	Total Debt Service
Estimate	2015	\$174,600	\$9,493	\$0	\$1,254,569	\$0	\$1,254,569
Budget	2016	\$1,890,399	\$102,784	\$9,493	\$1,221,244	\$235,000	\$1,465,737
Projected	2017	\$57,522	\$3,128	\$112,277	\$654,040	\$235,000	\$1,001,317
Projected	2018	\$243,127	\$13,219	\$115,404	\$569,562	\$235,000	\$919,966
Projected	2019	\$0	\$0	\$128,623	\$556,663	\$235,000	\$920,286
Projected	2020	\$0	\$0	\$128,623	\$550,263	\$235,000	\$913,886
Projected	2021	\$0	\$0	\$128,623	\$546,963	\$235,000	\$910,586
Projected	2022	\$847,766	\$49,026	\$128,623	\$525,713	\$235,000	\$889,336
Projected	2023	\$0	\$0	\$177,650	\$534,213	\$235,000	\$946,862
Projected	2024	\$0	\$0	\$177,650	\$524,013	\$235,000	\$936,662
Projected	2025	\$3,888,409	\$238,715	\$177,650	\$508,738	\$235,000	\$921,387
Projected	2026	\$0	\$0	\$416,365	\$509,738	\$235,000	\$1,161,103
Projected	2027	\$0	\$0	\$416,365	\$451,275	\$235,000	\$1,102,640
Projected	2028	\$0	\$0	\$416,365	\$449,300	\$235,000	\$1,100,665
Projected	2029	\$0	\$0	\$416,365	\$446,569	\$235,000	\$1,097,934
Projected	2030	\$0	\$0	\$416,365	\$443,056	\$235,000	\$1,094,422
Projected	2031	\$0	\$0	\$416,365	\$433,931	\$235,000	\$1,085,297
Projected	2032	\$0	\$0	\$416,365	\$424,307	\$235,000	\$1,075,672
Projected	2033	\$0	\$0	\$416,365	\$301,181	\$235,000	\$952,547
Projected	2034	\$0	\$0	\$416,365	\$209,336	\$235,000	\$860,702
Projected	2035	\$7,264,329	\$472,555	\$416,365	\$301,956	\$235,000	\$953,322

Sources: Town Records; Compiled by Parsons Brinckerhoff

10.8 Cash Flow

Table 10-6 presents the airport's cash flow for the projection period by combining the revenue, operating expense, locally funded capital expenditures, debt service, grant receipts, and PFC projections developed in the previous sections.

As shown in the table, the cash flow for each year presented, there is a ending fund balance greater than zero, indicating the Master Plan ACIP does not negatively impact the financial situation of ACK, given the assumptions contained in this analysis. There are some years, however, when the reserve fund balance must be utilized to fund the operating and capital requirements of the Airport.



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As previously mentioned, in recent years, it has been necessary for the Airport Enterprise Fund to receive a subsidy from the Town to cover the operating and capital needs not met with airport revenue or other capital funding sources. The assumptions applied for this analysis result in enough surplus revenue to eliminate the necessity of a subsidy from the Town's General Fund to support airport operations and fund future capital projects.

10.9 Findings

Based on the analysis presented throughout the preceding sections, this section summarizes the principal findings with respect to the financial implications of the Master Plan ACIP presented in this chapter. Based upon the assumptions and limitations underlying these feasibility analyses, the following findings are presented:

- The Master Plan ACIP and ongoing capital projects are projected to be financially feasible with adequate cash flow and/or reserves to meet all operating and capital requirements of ACK.
- At the same time, the estimates of required airline fees following implementation of the Master Plan ACIP remain reasonable and competitive.
- The proposed improvements may be implemented with some reliance on Federal discretionary grants. Should the projected level of discretionary funding not be received, consideration will be given to adjusting the phasing of the Master Plan ACIP.
- With regard to the findings of these analyses, it must be emphasized that the actual timing and financing of airport improvements will be based upon actual activity growth, as well as the ACK's particular financial circumstances at the time of project implementation. The analyses only serve to demonstrate that a reasonable expectation can be made that the program is feasible.



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Table 10.7
Cash Flow Projections

	Estimate 2015	Budget 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024	Projected 2025
Beginning Fund Balance	\$1,500,000	\$1,411,177	\$302,606	\$109,874	\$109,874	\$597,960	\$1,648,151	\$2,867,479	\$2,867,479	\$4,929,709	\$7,385,282
Revenues	\$7,334,367	\$7,222,580	\$7,761,009	\$8,343,556	\$8,974,117	\$9,656,884	\$10,396,410	\$10,928,974	\$11,489,465	\$12,079,364	\$12,700,254
Operating Expenses	(6,764,524)	(7,477,502)	(7,664,440)	(7,856,051)	(8,052,452)	(8,253,763)	(8,460,107)	(8,671,610)	(8,888,400)	(9,110,610)	(9,338,375)
Net Operating Revenue	\$569,843	(\$254,922)	\$96,569	\$487,506	\$921,665	\$1,403,121	\$1,936,303	\$2,257,364	\$2,601,065	\$2,968,754	\$3,361,878
Debt Service											
Existing	(\$1,254,569)	(\$1,456,244)	(\$889,040)	(\$804,562)	(\$791,663)	(\$785,263)	(\$781,963)	(\$760,713)	(\$769,213)	(\$759,013)	(\$743,738)
Future	0	(974)	(11,494)	(121,862)	(141,598)	(141,598)	(141,598)	(141,598)	(194,671)	(194,671)	(194,671)
PFCs Applied to Debt Service	595,903	603,568	611,234	618,899	626,564	634,229	641,895	0	657,225	664,890	0
Net Debt Service	(\$658,666)	(\$853,650)	(\$289,301)	(\$307,525)	(\$306,696)	(\$292,631)	(\$281,666)	(\$902,310)	(\$306,659)	(\$288,793)	(\$938,409)
Amts Available for Capital Expenditures	(\$88,823)	(\$1,108,572)	(\$192,731)	\$179,981	\$614,969	\$1,110,490	\$1,654,637	\$1,355,054	\$2,294,406	\$2,679,961	\$2,423,469
Capital Expenditures	\$23,881	\$1,922,892	\$3,930,380	\$3,361,015	\$2,203,316	\$871,658	\$2,456,606	\$5,088,536	\$4,888,260	\$4,416,062	\$9,358,113
AIP Grants	0	(1,632,725)	(1,794,804)	(2,664,079)	(1,961,492)	(762,999)	(1,914,914)	(2,052,168)	(3,792,976)	(3,652,765)	(2,117,878)
State Grants	0	(90,707)	(99,711)	(148,004)	(108,972)	(42,389)	(106,384)	(114,009)	(210,721)	(202,931)	(117,660)
PFCs Applied to Capital	(5,970)	(5,970)	(5,970)	(5,970)	(5,970)	(5,970)	0	0	(652,387)	(335,979)	(62,291)
Other Funds	0	0	0	0	0	0	0	(649,560)	0	0	(672,556)
Debt Funded Projects	(17,911)	(193,490)	(2,029,894)	(362,980)	0	0	0	(917,746)	0	0	(3,964,260)
Net Capital Expenditures	\$0	\$0	\$0	\$179,981	\$126,883	\$60,300	\$435,308	\$1,355,054	\$232,176	\$224,387	\$2,423,469
Fund Deposit/(Withdrawl)	(\$88,823)	(\$1,108,572)	(\$192,731)	\$0	\$488,086	\$1,050,190	\$1,219,329	\$0	\$2,062,230	\$2,455,574	\$0
Ending Fund Balance	\$1,411,177	\$302,606	\$109,874	\$109,874	\$597,960	\$1,648,151	\$2,867,479	\$2,867,479	\$4,929,709	\$7,385,282	\$7,385,282
	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	
Beginning Fund Balance	\$7,385,282	\$10,569,363	\$14,109,064	\$17,882,431	\$22,207,600	\$26,960,837	\$32,321,979	\$38,174,128	\$44,659,323	\$51,776,418	
Revenues	\$13,353,747	\$13,947,336	\$14,568,083	\$15,217,505	\$15,896,272	\$16,606,992	\$17,351,257	\$18,130,742	\$18,947,212	\$19,802,524	
Operating Expenses	(9,571,835)	(9,811,131)	(10,056,409)	(10,307,819)	(10,565,515)	(10,829,652)	(11,100,394)	(11,377,904)	(11,662,351)	(11,953,910)	
Net Operating Revenue	\$3,781,912	\$4,136,206	\$4,511,674	\$4,909,686	\$5,330,757	\$5,777,339	\$6,250,863	\$6,752,838	\$7,284,861	\$7,848,614	
Debt Service											
Existing	(\$744,738)	(\$686,275)	(\$684,300)	(\$681,569)	(\$678,056)	(\$668,931)	(\$659,307)	(\$536,181)	(\$444,336)	(\$536,956)	
Future	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	(438,043)	
PFCs Applied to Debt Service	680,221	687,886	695,551	703,217	710,907	718,681	726,541	734,486	742,518	0	
Net Debt Service	(\$502,560)	(\$436,432)	(\$426,792)	(\$416,396)	(\$405,193)	(\$388,293)	(\$370,809)	(\$239,738)	(\$139,861)	(\$975,000)	
Amts Available for Capital Expenditures	\$3,279,352	\$3,699,774	\$4,084,882	\$4,493,291	\$4,925,565	\$5,389,046	\$5,880,054	\$6,513,100	\$7,145,000	\$6,873,615	
Capital Expenditures	\$1,375,248	\$2,671,265	\$5,700,116	\$2,832,246	\$2,916,376	\$27,904	\$27,904	\$27,904	\$27,904	\$14,910,261	
AIP Grants	(1,212,610)	(2,379,025)	(5,104,990)	(2,523,907)	(2,599,624)	0	0	0	0	0	
State Grants	(67,367)	(132,168)	(283,611)	(140,217)	(144,424)	0	0	0	0	0	
PFCs Applied to Capital	0	0	0	0	0	0	0	0	0	0	
Other Funds	0	0	0	0	0	0	0	0	0	(750,639)	
Debt Funded Projects	0	0	0	0	0	0	0	0	0	(7,286,007)	
Net Capital Expenditures	\$95,272	\$160,072	\$311,515	\$168,121	\$172,328	\$27,904	\$27,904	\$27,904	\$27,904	\$6,873,615	
Fund Deposit/(Withdrawl)	\$3,184,080	\$3,539,701	\$3,773,367	\$4,325,169	\$4,753,237	\$5,361,142	\$5,852,149	\$6,485,196	\$7,117,095	\$0	
Ending Fund Balance	\$10,569,363	\$14,109,064	\$17,882,431	\$22,207,600	\$26,960,837	\$32,321,979	\$38,174,128	\$44,659,323	\$51,776,418	\$51,776,418	

Source: Compiled by Parsons Brinckerhoff



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